मार्केट में है और इसी लिये हम यह कोशिश कर रहे हैं कि हमारा निर्यात ज्यादा बेहतर हो ताकि यूनिट वैल्यू ज्यादा मिले और उस की वजह से हमारा निर्यात ज्यादा हो । जहां तक इसका सवाल है कि कौनसा कपड़ा इस्तेमाल किया गया तो 80 परसेंट तो हमारे यहां ज्यादातर पावर लूम और हैंडलूम का कपड़ा होता है । मुझे नहीं मालूम, लेकिन अगर माननीय सदस्य के पास कोई इंफार्मेशन हो किसी पार्टिकुलर केस के बारे में जिस में दूसरे कपड़े का इस्तेमाल किया गया हो तो मैं उस की छानबीन करा लूंगा ।

Restriction-free tea export

***122. DR. R. K. PODDAR: Will the Minister of COMMERCE be pleased to state:**

(a) whether it is a fact that the tea industry has demanded for restriction-free tea export during 1986;

(b) if so, what is Government's reaction thereto; and

(c) what steps have been taken or are proposed to be taken in the matter?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER): (a) Yes, Sir.

(b) and (c) In view of the comfortable supply position at home and abroad restrictions on exports, such as quotas and minimum export prices have already been dispensed with. The present policy will be continued as long as there are no violent fluctuations in the international tea situation which could react adversely on domestic price stability.

DR. R. K. PODDAR: Sir, my first question is what has been the total production and total export as well as total export earnings with regard to tea during the past three years and what are the expected figures on the sales during the current year 1986?

SHRI P. SHIV SHANKER: Sir the hon Member was pleased to ask three things, total production for three years, export and the earnings. Sir, the total production for 1983 was 581 million kgs. and in 1984 it was 645 million kgs. and in 1985 it was provisional, it was 657 million kgs. Now, on the question of exports, the figures are 208 million kgs. in 1983, in 1984 it was 217 million kgs. and in 1985 it was 222 million kgs. Sir, the value of exports in 1983 is Rs. 516 crores, in 1984 it was Rs. 740 crores and in 1985 it was Rs. 711 crores. Now, the hon. Member was pleased to ask us what is likely to be the position in the current year. Well, it is not possible for me to exactly give the figure but I can assure the House that we expect to do even better this year than last year.

DR. R. K. PODDAR: Sir, this year it has been reported in the press that the countries which are major exporters of tea, namely, Argentina and Sri Lanka, due to various reasons, are not exporting as much tea as they were doing during the last few years. Naturally our tea barons are having a good time in the international market. So, my question is (a) why the minimum export price, instead of being dispensed with, is not being fixed at a higher level, and (b) what fraction of the profits earned through tea exports is being re-invested for re-plantation of the tea bushes which have grown too old? And whether these amounts which are being kept for reinvestment for this purpose are being considered adequate by the Government, and, if not, what steps the Government propose to take in this matter?

SHRI P. SHIV SHANKER: Sir, I have not been able to follow so far as part (b) of the question is concerned. But on part (a) I will first make my submissions. The question that is posed is why the minimum price...

MR. CHAIRMAN: Please sit down, I will tell you.

SHRI P. SHIV SHANKER: It may be a part of the next question which is coming under item 7 today. Nonetheless, I may submit with respect to the first part of the question. The question that has been posed is as to why in spite of the fact that Sri Lanka and Argentina are not in a position to export much, we are not fixing the minimum price at a higher level? The point is, if the price is fixed at a higher level, the position will be that the price in the internal market could rise. This has been the experience right from 1982 and whenever there had been an increase in the internal price, the external price had to be checked and that is one of the concept that is taken into consideration; quotas have to be fixed and the minimum export price also has to be fixed so that internal prices do not depress. It is a correlation between the internal price and the external price. Therefore, fixation of minimum price at a higher rate could naturally enable the internal price to depress. That is why it might be difficult to go through this concept.

MR. CHAIRMAN: Now, you put your question about re-plantation.

DR. R. K. PODDAR: I wanted to know as to what fraction of the profits earned from tea exports is being reinvested for re-plantation of tea bushes. While these bushes have grown too old, whether the Government considers that the amount that is being reinvested is adequate for the purpose, and if not, what steps the Government proposes to take in the matter.

SHRI P. SHIV SHANKER: The hon. friend was specific to ask with reference to bushes and the amount that is sought to be spent. There are various measures taken. I thought this question would come up with reference to the next question under item 7. The short-term measures taken are...

MR. CHAIRMAN: What he wants to know is what proportion of income is reinvested in re-plantation.

SHRI P. SHIV SHANKER: There is no question of proportion. In fact, there is a fund which is there and it depends on the circumstances for the purpose of investment.

SHRI PRITHIBI MAJHI: The auction functioning in India is an English system of auction. It cannot offer the best price to producers and so, most of the producers prefer Dutch system of auction which is like a 'sealed tender offered by all prospective buyers'. It is noted that under English system of auction, the Indian producers lost about Rs. 54 crores in the last 20 years. So, realising the need for introduction of the Dutch system of auction, the Tea Board had appointed a one-man commission in 1972 and their report had been submitted in favour of Dutch system.

I would like to know from the Minister whether any initiative is taken for introduction of Dutch system by the Government and if not, the reasons therefor.

SHRI P. SHIV SHANKER: Sir, there are two systems of disposal which are being practised under the aegis of the Tea Board. One is, 75 per cent of the produce is being disposed of through process of auction. When it is auctioned in the various markets of Calcutta, Cochin and Gauhati, the foreign buyers also come; both for the purpose of exports as for internal consumption, this tea is auctioned. As a result, what happens is, the consumption prices in the internal market would also be known and so far as exports are concerned, of course having regard to London market the prices will take care of it. This is the first type of tea, which is 75 per cent, which is auctioned.

The second is 25 per cent of the tea which is being sold by the growers at their plantations itself. That is what has been allowed. So far as auction part is concerned, it cannot be dispensed with because it is only through auction that there is a competitive price and the Government would also know as to what the position is in the internal market and the external market.

SHRI NIRMAL CHATTERJEE: Sir, the Commerce Minister has said that if the minimum export price is raised, then, *pari passu* the domestic price will also be raised. But this is a situation,—I think, the Finance Minister will also agree with me—where underinvoicing will be, widespread in our export trade. If you do not increase the minimum export price, they will show that they are selling at a low price and depositing their foreign exchange earnings elsewhere. This is the threat. Secondly, by raising the export price, you can even limit the amount to be sold outside so that the domestic supply is increased and a pressure, therefore, on upward movement in domestic prices can be introduced. Will the Minister kindly respond to this?

SHRI P. SHIV SHANKER: As far as the question of underinvoicing is concerned, it is very hypothetical. If my hon. friend is in possession of any case with reference to certain parties which are indulging in underinvoicing, he can bring it to my notice; it can be taken care of.

On the question of raising the minimum export price, the position is, international prices generally range in the London market. It is that which has got to be taken care of. If we raise the minimum price, the threat would be that the exports would be affected, if it is not in conformity with the international price. In fact, the minimum prices were fixed at a time when the international prices had fallen very badly. At that time, the position was that we were maintaining the exports at a particular level. It would be difficult if we raise it more than the international price. In that case, exports would be affected. Of course, it is true, in such a case domestic market would be dumped and the prices will fall here. But the exports would be hit. It is a delicate position. A balance has to be maintained between exports and imports.

SHRI DEBA PRASAD RAY: I would like to know from the hon. Minister as to (a) what is the quantum of domestic consumption of tea in the last three years and (b) what was the percentage of profits spent on labour welfare activities?

SHRI P. SHIV SHANKER: Sir, on the first part of the question, in regard to internal consumption, in 1983, the internal consumption was 385 million kgs., 1984-400 million kgs. and 1985-415 million kgs. On the question of the exact amount spent on labour welfare, I do not have the information.

MR. CHAIRMAN: It is not relevant to this question.

SHRI DEBA PRASAD RAY: Sir, one more supplementary.

MR. CHAIRMAN: It is not allowed. Next question.